

What is the purpose of the Health Insurance Portability and Accountability Act of 1996, Title II, Administrative Simplification (HIPAA-AS) on EDI?

The purpose of HIPAA-AS is to improve the efficiency and effectiveness of the health care system by encouraging the development of a health information system through the establishment of standards and requirements for the electronic transmission of certain health information.

What is the purpose of HIPAA's Administrative Simplification?

HIPAA is intended to reduce the costs and administrative burdens of health care by standardizing electronic transmission of many administrative and financial transactions that are currently completed by paper.

What are the requirements of HIPAA?

Health care entities that exchange medical, billing, and other related information electronically must comply.

Payers and claims clearinghouses must be able to process the following transactions electronically:

- **Transactions**
Health claims (HCFA-1500)
Enrollment information
Eligibility for a health plan
Payment & remittance advice
Health plan premium payments
Referral certification and authorization forms
Health claim status
Coordination of benefits
- **Security**
- **Privacy**

What is the effective date of HIPAA's Administrative Simplification?

Standard Transaction Format Compliance date is October 16, 2002.

What other changes under HIPAA-AS can practitioners expect?

Security Standards: This rule proposes standards for individual health information used by practitioners, providers, and claims clearinghouses. Security standards would be used by these groups to develop and maintain the security of all electronic individual health information.

Privacy Standards: This rule proposes standards to protect the privacy of individually identifiable health information maintained or transmitted electronically. Privacy standards would be used by payers, practitioners, and claims clearinghouses to develop procedures to protect the disclosure and use of individually identifiable information.

How can I learn more about HIPAA?

You can learn more about HIPAA by reviewing any of these Web sites:

- Federal Government**
<http://www.hcfa.gov/regs/hipaacer.htm>
<http://aspe.os.dhhs.gov/admsimp/>
- State Government**
<http://www.dhmm.state.md.us/hipaa/>
- Private**
<http://www.healthprivacy.org/latest/comments.html>
<http://www.hfma.org/kn/hipaa.htm>
<http://www.smed.com/hipaa/index.php>
<http://www.healthleaders.com/>
<http://www.hipaadvisory.com/>
<http://www.hipaacomply.com/>

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To learn more about MHCC's EDI initiatives, please visit our Web site at <http://www.mhcc.state.md.us/> or call 410-764-3586. EDI promotion is just one of MHCC's many initiatives. While visiting the Web site please consider viewing some of the industry reports.

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Billing Operations Simplified With EDI

MARYLAND HEALTH CARE COMMISSION

Data Systems & Analysis
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